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PLANT ADMINISTRATION OF LABOR

INTRODUCTION

One noteworthy development which has been caused by the war is the growing movement for the functionalized administration of labor questions within any given plant together with the development of a technique in this field. The extension of the market and the attendant growth in the size of industrial units has necessitated the creation within businesses of independent and interdependent departments charged with specialized functions. Thus, as business units have increased in size, purchasing, producing, selling, advertising, financing, and accounting have gradually been split off from the general management and consigned to departments whose tasks become specialized in one of these functions. In other words, the same process of industrial evolution which develops in society at large also develops within business units themselves.

Such a delegation of function in the handling of labor has been, however, the last to develop. This has been due only in part to the fact that attention to human relationships always lags behind attention to mechanical problems. It has been due only in part to the fact that costs due to labor inefficiency are not so quickly seen as are other costs. Prior to 1914 there had never been a pressing labor scarcity to necessitate a careful husbanding of human resources. This plentiful labor supply caused the average employer to remain quietly confident in his belief that he was capable of dealing with his own labor problems. He therefore preferred to handle the general labor matters of his plant himself and to allow his foremen to hire and discharge men as they willed.

The outbreak of the European war in 1914, however, created an increased demand for American manufactures and at the same time largely shut off the tides of immigration. The growing "tightness" of the labor market gave labor a scarcity value and caused employers to become more receptive toward new proposals for dealing with labor. Later, industrial unrest contributed to the same end.

Meanwhile even prior to the war a few business firms had men in their employ who were more or less specializing on the problems of personnel. Groups of these men, many of whom were only labor scouts or employment clerks gathered together in Detroit and Boston independently of each other¹ to discuss common problems and thus their experiences began to be pooled. These men were struck with the fact that the workmen rarely stayed long in their plants and that it was necessary constantly to hire men in large numbers in order to maintain the working force on an even level. Investigation into the extent and costs of this newly discovered wastage or "labor turnover," as it began to be called, were made by Alexander of the General Electric Company,² Grievess of the Jeffery Manufacturing Company,³ and Fisher of the Detroit Executives' Club.⁴ The results showed the amount of movement from position to position to be so large and its consequent losses so great that many employers were aroused and installed employment departments to cope with it. Indeed, until recently the chief argument used for the creation of such departments was the possibility of reducing the turnover of labor.

Our entrance into the war intensified the pressure upon our industrial organization. The necessity for enormously increased production was imperative while the labor supply was greatly diminished because of the expansion of our military and naval forces from a few hundred thousands to nearly 4,000,000. American businesses were thus pulled in both directions at once. The only ways this demand could be met were (a) by the elimination of nonessential production, (b) by an increase in production per man.

The problem of increasing the production per man was one which could not be solved merely by speeding up machinery and by

¹ It is sometimes asserted that the Detroit group was an offshoot of the Boston movement. This is not true; it originated independently nearly a year before it knew of the existence of the Boston group.

² Magnus W. Alexander, "Hiring and Firing," *American Industries*, August, 1915.

³ W. A. Grievess, *The Handling of Men*.

⁴ Boyd Fisher, "How to Reduce the Labor Turnover," *Annals*, Vol. LXXI.

improving technical processes. American industry soon found that the proper handling of labor was necessary in order to realize maximum efficiency. Labor became a production problem which challenged the attention of employers and manufacturers. Business men could not ignore it any longer. Under the stress of war many inefficiencies were brought to their attention which had hitherto been almost unrecognized and some were directly increased by war conditions. Among these were:

a) The amount of withheld effort which ordinarily characterizes industry. The separation of the worker from the ownership of his tools together with the impersonal wage relationship between widely separated economic classes and the automatic and mechanized conduct of industry itself has produced a reluctance, sometimes conscious but more often unconscious, to work as actively and creatively as is possible. The modern organization of industry does not get the best efforts from its workers. In war time when the nation's life was at stake, society realized that the purpose of industry was not profit but production and that the division of labor was not an end in itself but merely a method of producing more goods. As a result men secured a vision of industry as a whole which in peace time, immersed in their own specialized task, they lacked.

But while the war brought the social purpose of production to the foreground, it was impossible suddenly to break down the inhibitions to full and unrestrained production which the previous era had built up. Moreover, while the social purpose of production was being demonstrated, the fact that business was in the main carried along by the same mechanism as in peace, obscured the issue and reinforced the reluctance of the worker to increase production.

Businesses were therefore compelled not only to stress the patriotic purpose of efficiency and increased effort, but more or less systematically to search for the unnecessary causes of friction between management and men and to seek their removal.

b) The amount of absenteeism in industry. Absenteeism or staying away from the job was scarcely recognized prior to the

war,¹ but firms found that from 6 to 10 per cent of the possible working time of their force was lost by reasons of absences from work.²

c) An almost universal increase in labor turnover. Labor turnover had been high in peace time but the war increased it greatly. Added to the turnover necessary to replace men leaving for the army (which did not cause a turnover of more than 10 per cent) was an abnormal flux of labor from job to job caused by the competitive bidding by war contractors and often by government departments themselves who were anxious to get their own particular job done and who were protected against increased labor cost by either cost plus contracts or by the absorption by the government of the added labor cost. This restless movement from job to job runs like a motif through the story of the labor difficulties of every war industry and caused not only a loss of time between jobs but decreased production in breaking new men into positions freshly vacated.

d) The lack of full and accurate estimates of the number and kinds of workmen required to man the plant at varying periods of time. In the days of a plentiful labor supply with large numbers of men clamoring at the gate for a job, no detailed estimate of the plants' needs was required. The men could be picked up without effort. But when labor became scarce, it was necessary for a plant to know how many men in each trade it needed days and even weeks before they were actually required. This necessity for prevision was of course intensified with the development of the Federal Employment Service. Estimates had to be furnished them with a proper allowance for time before the workmen could be found and supplied. This threw upon the employers the necessity of analyzing their plants as respects the requirements for each position and a close translation of their production program into terms of men.

¹ Yet see an article by John S. Keir, "The Reduction of Absences and Lateness in Industry," *Annals of the American Academy of Political and Social Science*, May, 1917, pp. 140-56; the investigation upon which the article was based was made prior to the war.

² The statistics for shipbuilding indicate that over 15 per cent of the possible working days were lost because of absenteeism. See an article by P. H. Douglas and F. E. Wolfe, "Labor Administration in Shipbuilding Industry during the War," *Journal of Political Economy*, May, 1919, especially pp. 387-88.

The impossibility of permitting foremen of individual departments who were themselves busy with the technical problems of production to hire men and to superintend the working relationships became greatly manifest. The results of this policy could only be confusion and cross-purposes with different policies for each department. Moreover, most of the basic problems could never be touched by foremen themselves with only a narrow outlook. Employment functions would either be not handled at all by the foremen or else managed improperly.

II. THE TRAINING OF EMPLOYMENT MANAGERS DURING THE WAR

All these factors convinced managers of the necessity of creating functionalized employment departments. This necessity was not of course recognized as a result of manufacturers pondering over the problem and resolving after an investigation to instal such a department. It was very largely assisted by the propaganda carried on among others by the Ordnance Department and the Emergency Fleet Corporation.

The demand for employment managers being thus created, the problem became one of supplying a competent personnel to man the positions.¹ This was not easy because there had been only a few hundred such at the outbreak of the war and these of a very uneven character and ability.

A careful observer of America in war time could not fail to remark how everyone seemed to be going to school to fit himself for the particular field of war work which he had chosen. To this the profession of employment management was no exception. An employment management section was created in the War Industries Board and placed under the direction of Captain Boyd Fisher, who instituted a campaign for the creation of properly conducted schools to train employment managers. These schools

¹ It is worth remarking that it was the employment management movement that characterized America's industrial mobilization of human energy rather than the welfare movement as in England. This is in part explained by the fact that there were not as many women and children who entered war industries as in England and is also due to the fact that we approached the situation more from the standpoint of production problems rather than from the necessity of introducing welfare work to obviate the evils flowing from a protracted working-day.

had to be located at central points where there were reputable colleges and where there was already some good employment work being done. The first established was that conducted at the University of Rochester from March 26 to May 9, 1918, under the direction of Professor Meyer Jacobstein. Courses were also established at Boston, New York, Chicago, Cleveland, Pittsburgh, and at various points on the Pacific Coast. Several of these were repeated a number of times. The cities where the employment management courses were given, the institutions conducting them and directors are given below:

City	Institutions Co-operating	Directors
Rochester, N.Y.	University of Rochester	Professor Meyer Jacobstein
Boston, Mass.	{ Harvard Massachusetts Institute of Technology and Boston University	Professor Roy W. Kelly and Professor Ralph B. Wilson
New York City	{ Columbia University Bureau of Municipal Research New School for Social Science	Mr. Ordway Tead and Pro- fessor H. C. Metcalf Mr. Ordway Tead Mr. Robert Bruere
Pittsburgh, Pa.	{ Carnegie Institute of Technology Pittsburgh University	Professor H. C. Metcalf
Chicago, Ill.	{ Chicago School of Civics and Philanthropy Northwestern University	Miss Mollie Ray Carroll Mr. Gilbert L. Campbell
Cleveland, Ohio.	Case School of Applied Science	Miss Mildred Chadsey
Seattle, Wash.	University of Washington	Dr. Boris Emmett and Miss Miriam Bisby
Portland, Ore.	Reed College	Professor H. B. Hastings and Professor T. W. Mitchell
San Francisco, Cal.	University of California	Professor Ira B. Cross and Dr. R. Sigsbee

Courses were also established under the direction of the Y.W.C.A. in New York and one financed by the same organization at Bryn Mawr, where Dr. S. M. Kingsbury and Miss Annie Bezan-son were in charge of instruction. The two latter courses, however, were more influenced by the British welfare movement than were those directly under the supervision of the War Industries Board.

The courses conducted under the auspices of the War Industries Board were uniformly six weeks in length and consisted not only of lectures and class work but actual field work with the employment departments of business firms. The courses given covered the following general fields: (a) employment department practice,

(b) labor economics, (c) statistics, (d) industrial organization and management.

The students were required to have had previous industrial experience except in special cases and were recruited from two classes, (a) those sent by individual firms who went back into their employ and (b) those who were not attached to any particular firm but who expected to be placed by the War Industries Board. A large number of concerns sent men from their employ while the Emergency Fleet Corporation sent forty at its own expense. By November, 1918, over three hundred and sixty had been graduated from these various courses, practically all of whom had been placed.¹

So successful was the experiment that the management of the courses has been taken over by the Federal Board for Vocational Education on the basis of an appropriation granted from the President's Emergency Fund. Plans have been made to put the work upon a permanent basis with a flying squadron of several experts to assist in the various courses.

Of course the men thus trained and placed as employment managers do not comprise all the additions to the field. Many firms either promoted men from the ranks or engaged them from outside the plant to superintend their employment work. The number of new employment departments created during the war may be roughly estimated at two hundred.²

III. PROGRESS IN THE METHODS OF EMPLOYMENT MANAGEMENT

The mere creation of several hundred employment departments, however, is not an accurate index that progress has been made. The existing departments are of varying grades of efficiency, many of them being but rudimentary affairs in charge of a "hiring clerk" or timekeeper. Indeed, of the seven hundred or more departments

¹ For a fuller description of these courses see an article by the writer, "War Time Courses in Employment Management," *School and Society*, June 7, 1919, pp. 692-95.

² Professor Edward D. Jones estimates the number of employment departments before our entrance into the war at 500 and at 700 in February, 1919. There are from 2,500 to 3,000 persons engaged on full time in employment management work.

in existence there are probably not more than fifty which are doing well-rounded and thorough work.

In practice the main change which the employment departments have introduced in their plants has been to centralize hiring. Though even this is by no means universal, it is in the main true that the foremen have been more and more relieved (not always willingly) of the task of hiring men and thereby enabled to concentrate upon supervising and directing production itself. The chief saving made by employment departments, and it has been considerable, has hitherto been just this advantage of increased specialization and division of labor.

It is, however, true that many of the functions which are described in general works on employment management¹ are a composite of the best methods used by a few progressive firms and are not in any way typical of the real situation; some of the functions are practiced by only a handful of firms and many of them are not performed by the vast majority. Such for instance is the injunction that "employees should be properly selected." It would be idle to pretend that the general run of employment departments have even approached the solution of this problem. The building up of an application list was seldom practiced before the war and was impossible with the war-time labor shortage. Newspaper advertisements and labor scouts were the wholesale and dragnet methods used to secure labor. Once secured, physical examinations, trade and psychological tests, and the other methods of selection which occupy so much space in the literature of the subject² were either never given or their results disregarded.

As for the follow-up work with the new employee, this is but rarely given. The new man is seldom properly introduced to his job and once placed is largely left to sink or swim. The much-praised system of transfers from one department to another rather than downright discharge is rarely practiced because (*a*) men generally leave of their own free will rather than because of discharge,

¹ See, for instance, R. W. Kelly's *Hiring the Worker* and the bulletin of the Metropolitan Life Insurance Company on "Hiring and Firing."

² As an instance of the naïveté which still surrounds much of the field of employment management, see the widely read books of Dr. Katharine Blackford, *The Job, the Man and the Boss* and *Analyzing Character*, which advocate selection by applying the principles of phrenology.

(b) while the function of hiring workmen has been taken over by the employment department, that of firing seldom has been, and consequently many foremen discharge directly. (c) In those cases where men discharged by foremen go clear through the employment department, the department is generally so busy with new men that it cannot attend to the apparent failures. Not only are failures not properly attended to but a scientific promotion system for those who have made good is a rarity.

Furthermore, in but few cases do employment departments have any supervision over the sanitary and safety conditions within a plant nor do they have a strong voice in determining the basic conditions of the wage contract. In practice, therefore, employment management is liable to degenerate into merely a hiring and timekeeping affair.

Although most firms with so-called departments have not put into effect the best practices of employment management that have been developed in various places, yet the value of some of these methods cannot be doubted, and only their installation is needed to make them a success. The war-time courses on employment management aimed primarily to popularize the already developed methods.

However, the war stress has not only popularized existing methods but it has also enriched the technique and has developed new principles. Prominent among these may be mentioned:

1. The development of an accurate and comprehensive system of occupational classification and trade specifications. Scientific placement and promotion cannot be accomplished without knowing of what each job consists and what experience is needed of the worker. When foremen hired the workers they roughly knew the necessities and requirements of each job under their supervision, but they did not know the characteristics of jobs in other departments. Men were consequently sent from one department to another. The creation of the specialized employment department and the taking of matters out of the hands of the foremen separated the hiring force from the technical knowledge of the jobs which the foremen possessed. Employment work has in the past suffered greatly because employment managers often have not known the

trade processes of their own plant and hence could not hire properly or could not assign proper men to the various jobs. It became necessary therefore to work out standard job analyses and trade specifications so that an employment manager could know the requirements of his industry and be able to hire men intelligently.¹ While steps had been taken prior to the war in a somewhat cumbersome fashion by vocational surveys in Richmond, Virginia; Minneapolis; Indianapolis; Richmond, Indiana; and Evansville, Indiana,² it was only during the war period that this feature was adequately developed.

In this development the War Department, through its committee on classification and personnel, played a leading part. As one step in its attempt to put the right man in the right place, the committee on classification and personnel prepared a very thorough study of the work performed in each of the army trades and the characteristics needed to fill them satisfactorily.³ The Industrial Relations Division of the Emergency Fleet Corporation also prepared and circulated a handbook upon shipyard occupations which defined the various jobs and outlined the qualities required. This booklet was of great assistance to the employment managers who did not know very much about the industry.

The most complete set of job analyses, however, was that made by the United States Bureau of Labor Statistics for the United States Employment Service. Very full analyses were made of some twenty or more important industries⁴ and these were circulated among employment officials and managers.

¹ Equally great, of course, was the necessity for the officials of the public employment service to know the characteristics of the various industries in which they placed men.

² These surveys were made by the National Society for the Promotion of Industrial Education. The United States Bureau of Labor Statistics published the Richmond and Minneapolis surveys as *Bulletins No. 162 and 169*.

³ Published as *Trade Specifications and Index, United States Army*, War Department Document, No. 774.

⁴ The industries covered were: mining, boots and shoes, harness and saddlery, tanning, electrical manufacturing, lumbering and sawmills, water transportation, cane-sugar refining, flour milling, street railways, office employees, slaughtering and meat packing, textiles and clothing, metal working, building and general construction, railroad transportation, shipbuilding, and medicinal manufacturing.

There has been built up, therefore, a great deal of information about specific jobs in industries which will enable the employment departments to deal more intelligently with the selecting and assignment of help. This work, however, must be continued and developed by the employment managers themselves in the future.

2. The development of a series of trade and psychological tests which determine the positions for which the applicant is adapted. Job analysis is incomplete unless it is accompanied by man analysis. Men cannot be placed in positions solely upon the basis of their own statements. It is as necessary to find out what a man is as to find out what a job is.

Although there were many claims before the war that vocational tests had been devised which accurately measured the capacity for specific positions, there were in reality practically none which were accurate or adequate.¹ It was the committee on classification and personnel which made the greatest steps forward in this field during the war. A great deal of attention has been aroused over the psychological tests administered in the army which were exceedingly valuable in discovering officer and noncommissioned officer material. The trade tests, however, which have been administered to over 250,000 men in the army were almost equally remarkable. Over one hundred of these were developed during the war. These consist of three varieties:

a) Oral, in which certain questions are asked and the applicant's familiarity and capacity tested and rated by his answers.

b) Picture, where certain pictures are shown and questions asked which were based upon them, the replies to which show the applicant's relative acquaintance with the trade.

c) Performance, where simple tools and raw material are furnished the applicant and he is tested in making some object which involves the essential operations of the trade. Thus the test for blacksmiths is that of welding two pieces of iron and making a hook. The ability of the men can be clearly seen and classified by the result.

It is interesting to note that of 250,000 men who professed trade ability the tests showed the following distribution: Experts, 6 per

¹ Professor Seashore's admirable method of testing the innate capacity of aspirants for singing is an almost solitary exception.

cent; journeymen, 24 per cent; apprentices, 40 per cent; inexperienced, 30 per cent. The economy which resulted from the rejection of the inexperienced and the assignments of the others to positions fitted to their ability is manifest. These tests, moreover, can be administered without elaborate equipment in a short space of time by any intelligent person, irrespective of whether he has a knowledge of the trade itself.

It is probably true that the committee on classification and personnel did not very effectively place these men who had been tested. This was due to the fact that the men were moving rapidly about from place to place over a wide territory and that it was difficult definitely to locate and transfer men to the positions they could fill. Both men and jobs were on the wing. These obstacles which rendered proper placement almost impossible do not, of course, prevail in any industry or plant in peace time. The application of these tests to industry is a fundamental necessity and is one which is being carried out in a number of instances. These tests, however, merely measure previous trade experience, they do not measure innate ability. As such they must be based upon past advantages and not upon capacity to improve in the future. They need to be supplemented by psychological tests which will grade the applicants into several classes as regards their innate ability. This will afford a basis for selecting promising applicants for positions which will develop them or where they may acquire specific trade ability. The men of the lower grades of intelligence may then be assigned to the low-grade positions.

The use of such a method, however, requires that the jobs be analyzed further and grouped in classes according to the amount of native intelligence (as well as trade ability) which they require. Psychological tests of this sort which separate men and jobs into rough classes are much more promising than the psychological tests for specific trades which were widely advertised by the late Professor Münsterberg.¹

¹ Both the trade and psychological tests might properly be primarily given by the Public Employment Service which will have the permanent dealings with the men, rather than by individual plants. But the plants should always do some corroboratory and verifactory work, and if the federal system of employment offices is disbanded (as seems probable), they must assume the burden, although this will involve testing the same man several times.

3. Introduction of methods aimed to reduce absenteeism. As has been mentioned the discovery of the extent of absenteeism occurred only during war time. Many plans have been devised to lessen this loss; most prominent of which are (1) a system of home visiting to check up the cases and offer medical help, (2) bonuses for good attendance.

IV. A CRITIQUE OF PRESENT-DAY EMPLOYMENT MANAGEMENT AND PRACTICE

Scientific employment work is in its infancy. At present the field is one of great promise but of uncertain and uneven performance. There is great danger that hasty and unscientific propagandists may throw great discredit upon the movement by their exorbitant claims and by their neglect painfully to work out new and improved technique.

If employment work is to realize its possibilities the following lines of development must take place:

1. Extensive application of approved employment practices. As has been pointed out, only a few firms are really putting into effect the majority of methods that are thought of when employment management is mentioned. The principles of the scientific selection of men with physical, trade, and psychological examinations and with proper placement in carefully analyzed jobs is absolutely essential and should be adopted by every plant of sufficient size. Equally necessary is the "follow up" to see if the workman is functioning properly and to try him out on another job if he fails at his first.

2. A broadening of the functions of the employment department to include the general problems of industrial relationship within a plant. While proper methods in hiring and placing men are necessary, they can never remove the chief sources of labor inefficiency and human friction that militate so seriously against the effectiveness of modern industry.

Plant sanitation and the elimination of unsanitary conditions together with the reduction of heat, noise, dust, and fumes to a minimum are necessary if a modicum of efficiency is to be obtained. Equally important are safety measures aiming to reduce the number and severity of accidents. Since it is difficult for a plant to recruit

a sufficient number of properly trained workers, education and training departments are necessary in many instances. Welfare work is another aspect of the labor problem inside a plant which needs systematic direction and planning.

Furthermore the following questions arise in every plant and must be settled: (a) Mode of payment, whether piece work, day work, sliding scale, bonus, or profit-sharing; (b) amount of payment for straight time and overtime; (c) plant policy as respects collective bargaining, recognition of unions, creation and functioning of shop committees.

All the functions mentioned affect labor acutely; attention to all is necessary. If each one is administered by separate and uncoordinated departments, confusion and cross-purposes will inevitably result. It would be almost impossible for a plant to carry out a uniform and well-articulated labor policy. The only remedy is for these various activities to be brought together as independent sections under one general head who should be in charge of all industrial relations within the plant and thus be not merely an employment manager. The employment department should be merely one of the departments in the general industrial relations division. It is worthy of note that exactly this type of organization is being introduced by several large industrial concerns.¹

3. The Industrial Relations Division should be co-ordinate with the other functional divisions inside a plant, such as finance, sales, purchasing, works, etc., and not be subordinate to them in position or authority. Much of the success of the Industrial Relations Division will depend upon whether its head can convince the executive heads of the concern of the wisdom of his plans and whether he is furnished with the authority to carry out approved policies should other departmental heads be unfriendly. This cannot be done if the Industrial Relations Division is made subordinate to other departments and if it does not have free access to the general management and its direct support when decisions are once made.

¹ Among these may be mentioned the International Harvester Corporation, the American International Shipbuilding Co., the Merchant Shipbuilding Corporation, the Bethlehem Shipbuilding Corporation, and Hart, Schaffner and Marx Co.

This raising of Industrial Relations to a level with other divisions, however, must be not only something which is shown on the organization chart but something which exists in actual practice. Many plants have such a paper system of organization, but their practical workings are such as to make the Industrial Relations Division impotent and subordinate.

4. The Industrial Relations Division should not be an instrumentality whereby the will of the managements is imposed upon the men, but it should rather be an instrumentality whereby the desires of the workers may be interpreted to the management and a joint policy evoked which will command the loyal support and co-operation of both parties.

The inevitable attitude of conflict which the extension of the machine process causes the workman to assume toward his employer is intensified if the employer dictates policy from above. The very basic principles of scientific employment practice themselves cannot be carried into effect unless the confidence and co-operation of the workmen is secured. For instance, there is a great deal of opposition on the part of the rank and file to the physical examination of applicants. This can only be removed by explaining carefully and fully that the purpose is not so much to reject men outright as to place them properly and to give those that need it adequate medical attention. Similarly the men will recoil from trade and psychological tests unless their purpose is carefully explained, while the practice of photographing applicants will inevitably be opposed as long as there is a suspicion that it is being used for possible blacklisting purposes.

Furthermore, turnover, absenteeism, and withheld effort cannot be appreciably reduced unless the men have confidence in the management. An increased labor inefficiency inevitably follows from a crossing of wills between workers and employers. What modern industrial leaders need is not so much experts who can impose the plans of the management as men who can interpret the aims of labor and assist both parties in attaining a mutual understanding. This process will also be hastened and made more complete if the men are not only permitted but encouraged to

organize collectively within a plant and thus provided with an articulate agency whereby their wishes may be expressed.

5. The Industrial Relations work should not only be organized within plants but should be federated between plants industrially or geographically.

This has already been effected with some degree of success by the various local associations of employment managers. Not only is a clearing house for information thus created, but an organization is effected which can make independent researches as well. These organizations, moreover, afford an opportunity to adopt common policies for an industry and to minimize wasteful methods in the handling of labor.¹

6. To accomplish the functions previously outlined a much higher level of ability is needed than exists among present-day employment managers. The modern employment manager in the majority of cases is of the pay-roll clerk or timekeeper stamp. A much abler set of men are needed if the work accomplished is to measure up to its possibilities. Both industry and the men entering it should recognize that it is a profession that requires higher ability and resourcefulness and that there is no room for a second-rate man.

7. In addition to the necessity of recruiting men of a superior natural ability it is vitally necessary that a system of training be developed which will adequately prepare men for the field. The six weeks' courses given by the War Industries Board were extremely valuable in meeting a war emergency, but they are inadequate to furnish a peace-time training of the stamp desired. The courses should be lengthened to at least a year and made comparable to graduate work. The field of subjects should be broad and should give the student a thorough background in the labor problem. The successful chief of an Industrial Relations Division must appreciate not only the outstanding features of modern industrial society but also (since the labor function in business is so pervasive) the outstanding features and functions of business organization.

¹ See the action of the Employers Association of Detroit in discontinuing the wasteful campaigns of advertising for labor, *Monthly Review U.S. Bureau of Labor, Statistics*, January, 1919, p. 30.

Some co-operative method should be devised whereby the student could spend part of his time acquiring first-hand experience while the academic instruction should consist of a minimum of formal lectures and a maximum of round-table and seminar discussions. Industrial concerns might well create fellowships and send some of their promising men to be trained. Industry and the college must consequently work hand in hand.

It is not to be expected that the development along the lines outlined above will produce complete industrial peace or absolute industrial justice, but the institution of properly manned, trained, and equipped departments of industrial relations within business units together with the introduction of honest measures to give the worker greater control over the conditions of labor will undoubtedly decrease wastes and inefficiencies. Beyond doubt, absenteeism, turnover, and withheld effort will greatly decrease and the efficiency of labor be raised.

The measures discussed above do not bear upon the question of the distribution of the product nor do they involve any change in the basic structure of business. Such changes may and perhaps should come, but irrespective of the fundamentals upon which industry rests the institution of such methods and organization as outlined above would benefit both workers and management. Taken all in all the movement is one of great possibilities. It promises to aid greatly in the adjustment of labor difficulties.

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